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Chair

Mrs. Karen Vecchio

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● (1605)

[*English*]

The Chair (Mrs. Karen Vecchio (Elgin—Middlesex—London, CPC)): I would like to begin by welcoming everybody.

We're at the 98th meeting of the status of women committee, and today, of course, we have the Honourable Bill Morneau, Minister of Finance. He's joined by Michelle Kovacevic, assistant deputy minister, federal-provincial relations and social policy branch; and Alison McDermott, associate assistant deputy minister, economic and fiscal policy branch.

Ms. Rempel.

Hon. Michelle Rempel (Calgary Nose Hill, CPC): Madam Chair, I believe that the meeting started three minutes ago. I appreciate the minister's swanning around the room, but some of us would like to get down to business.

The Chair: Yes, absolutely. I'm going to request an additional five minutes.

Good afternoon, Minister. Since we are starting five minutes late, I would ask you to remain five minutes after the hour to 5:05, so we can put in that one hour, as requested.

Minister Morneau, I pass the floor over to you for 10 minutes.

Hon. Bill Morneau (Minister of Finance): Thank you, Madam Chair.

I understand that today marks a significant milestone. It's the first time that a finance minister has appeared before the Standing Committee on the Status of Women and, obviously, we think that's long overdue because we recognize the important work done by this committee. We know that it makes a real difference in the lives of Canada's women and girls, so I'd like to begin by thanking all committee members for inviting me here to talk about our budget and to answer any questions you might have.

As I said, when I introduced our budget in the House back at the end of February, our economy is doing quite well. Over the last two years, hard-working Canadians have created more than 600,000 new jobs, most of them full-time. Unemployment rates are among the lowest we've seen in more than 40 years. If you compare Canada to its economic peers and other G7 nations, we've been leading the pack when it comes to economic growth since 2016.

We find ourselves in an interesting position. Our strong economic fundamentals give us the opportunity to invest in the things that will keep our economy strong and growing. At the same time, we've an obligation to take a serious look at some of the deeper challenges that continue to hold back our people and our economy. That's where this year's budget c[illegible]in.

[*Translation*]

Unfortunately, obstacles will continue to prevent many women and girls from achieving their full potential in Canada and elsewhere in the world. Our government is determined to eliminate those obstacles. Budget 2018 provides support to women and girls, reduces the gender wage gap and will increase the participation of women in the labour force.

[*English*]

The participation of women in the workforce in Canada is the highest among G7 countries, but it's still almost 10 percentage points below the rate for Canadian men, even though Canadian women are among the best educated in the world. The gender wage gap is also an issue in Canada, as it is in many other places. In 2017, for every dollar a male worker in Canada earned, a female worker earned $0.80 per hour worked. Because women tend to work fewer hours, the gap in annual earnings is even larger, with female workers earning only $0.69 for every dollar earned by a male worker.

Canadian women are also underrepresented in positions of leadership, and in the fields of science, technology, engineering, and mathematics. We also know that the demands of unpaid work, caring for children, or for ill or elderly family members disproportionately fall to women, making it difficult for them to pursue opportunities, including work.

These are some of the important challenges we face. Though we know we can't solve every problem—after all, these challenges are the result of long-standing and systemic discrimination—budget 2018 does take some important steps toward providing greater equality for Canada's women and girls. From a structural perspective, it starts with the introduction of a new gender results framework. This whole-of-government tool helps define what needs to be done to achieve gender equality, and tracks our progress against stated goals.

As you know, budget 2018 also marks the first time that no budget decision was taken without being informed by gender-based analysis plus, or GBA+. To ensure that gender remains a key consideration for future governments, we'll also introduce new GBA+ legislation to make gender budgeting a permanent part of the federal budget-making process.

In terms of specific measures in budget 2018, I'd like to highlight just a few for you today.

[*Translation*]

In Budget 2018, the government proposes to legislate on the principle of equal pay for work of equal value in federally regulated sectors. This will mean that on average, women and men who work in federally regulated industries will receive the same salary for work of equal value. The regime will apply to approximately 1,200,000 wage earners.

● (1610)

[*English*]

As I said earlier, we know that child care duties and caregiving duties in general disproportionately fall to women, and so in budget 2018 we introduced a new "use it or lose it" employment insurance parental-sharing benefit to encourage both parents in two-parent families to share equally in the work of raising their children. With this new benefit, two-parent families who agree to share parental leave could receive an additional five weeks of leave, or an additional eight weeks for parents who choose the extended parental benefits option.

This will make it easier for women to return to work sooner, if they so choose, and it will also help to address some of the patterns of discrimination that many women experience in the hiring process. At the same time, it will give both parents an opportunity to spend time with young children, setting up patterns of more equal parenting that can last a lifetime.

To help Canada's women-led businesses grow, find new customers, and hire more Canadians, budget 2018 proposes to invest $1.65 billion in a new women entrepreneurship strategy. It also supports the advancement of women in their careers by publicly recognizing corporations that are committed to promoting women to senior management positions.

To make sure we're able to do this important work, budget 2018 also proposes to make additional investments in Status of Women, and finally, to make Status of Women a full department in the Government of Canada.

[*Translation*]

The budget broadens Canada's strategy to prevent and fight gender-based violence, and increases support to crisis centres for the victims of sexual assaults on university and college campuses. It contains measures aimed at mobilizing men and boys to promote gender equality.

The government is also acting to promote gender equality throughout the world. Budget 2018 will ensure that Canada welcomes more female refugees who are not only fleeing wars and persecution, but who also face greater risks because of their gender. Ensuring that all Canadians have a fair and equitable opportunity to succeed is not only the right thing to do, it is the smart thing.

[*English*]

We know that greater diversity in the workforce boosts the productivity and profitability of Canadian businesses, and, of course, the experts back us on this. RBC Economics estimates that if Canada had completely equal representation of women and men in our workforce, we could have increased the size of the economy by 4% last year. Similarly, MacKenzie Global Institute estimates that by taking steps to advance greater equality for women, such as employing more women in technology and boosting women's participation in the workforce, Canada could add $150 billion to its economy by 2026.

That's the kind of long-term growth that would benefit not just women and girls but all Canadians. It would mean more good, well-paying jobs, more money for all those Canadians who are working hard to pay their bills.

Madam Chair, as Minister of Finance, I sit around a diverse cabinet table with as many women as men, and I can tell you that the diversity of voices and perspectives around that table makes for better government, better decisions, and better outcomes. Likewise, gender equality in our economy and our society will lead to greater prosperity. It will benefit all Canadians.

Budget 2018 represents an important step toward that goal.

I'd be happy to take your questions now.

The Chair: Excellent. Thank you very much.

We're going to start with Sean Fraser.

Mr. Sean Fraser (Central Nova, Lib.): Excellent. Thank you very much, Madam Chair.

Thank you, Minister, for being with us today.

My first question evolves from the changes to the parental leave provisions. I am a new parent who welcomed a daughter into the world not too long after the 2015 election, but the problem is much broader than my own family's experience. There are so many families who, because of the way our society has developed over the course of the past 150 years, have put the responsibilities of child-rearing predominantly on the mother in a two-parent household. Of course, when you take time out of the workforce, this can put at risk your ability to climb the ladder in whatever your profession may be and, at the same time, shift the burden disproportionately toward women.

One of the changes you raised in your opening remarks was the "use it or lose it" five-week benefit. I'm curious how you think this change will inspire men to take on a greater share of child-rearing responsibilities and how it will allow women to rejoin the workforce more quickly so they can get back onto their career paths and participate at the same level as men.

● (1615)

Hon. Bill Morneau: Maybe I can start by just acknowledging the context of your question. Our goal, of course, is to find a way to ensure greater opportunities for women and to ensure that for people who want to be in the workforce, obstacles are not presented merely on the basis of their sex.

We looked at policy measures that we could use to improve the situation. Right now, we have about 62% participation in the workforce among women and about 70% workforce participation among men. It's improved for women, but there's still a ways for us to go. We looked at the fact that Quebec introduced a parental leave "use it or lose it" benefit, this five-week benefit that they put in place. We saw that there was a much more significant uptake among the second partner, as you say, typically men, in taking parental leave —more than 80%—whereas in the rest of the country it's about 12%.

Our goal is to create a policy that enables women to get back to work if they choose to do so by allowing their spouse, if he or their partner wants to be back in the workforce, chooses to take that parental leave, sharing the burden more fairly. We also want to know that when two people go into a hiring office, a male and a female, the person hiring them looks at them more equally, realizes that both of them are relatively likely to take time off for child rearing, and, therefore, when thinking about whom to hire, recognizes their equal potential and isn't biased against one of those people versus the other. We think it can have long-term positive benefits in multiple ways.

Mr. Sean Fraser: Thank you.

I have a second question, very quickly. This committee is finalizing a study on women's participation in the Canadian economy. One of the issues we heard about frequently was the barrier to women entrepreneurs in seeking capital. They're unable to finance their businesses the same way men are. What's the government's plan to tackle this problem to ensure that we're not missing out on the economic opportunities represented by women's entrepreneurship?

Hon. Bill Morneau: We think this challenge has multiple facets to it, obviously. There are historic issues. There's access to networks, and there's actually access to capital. We put in place some funding for our regional development agencies so they can work regionally on enabling women entrepreneurs to be more successful through accelerators and hubs, where they can develop mentorship for women entrepreneurs.

Then we put in place access to specific funding through the Business Development Bank of Canada and through Export Development Corporation for women entrepreneurs. It adds up to about $1.65 billion in new capital available for women entrepreneurs specifically, trying to address the fact that the capital access for women has been significantly less than for male entrepreneurs, and recognizing that for that success to be possible, funds need to be earmarked to do that.

Finally, some of that will be specifically around women entrepreneurs getting access to funding for international export opportunities where we see big opportunities and required assistance.

Mr. Sean Fraser: Excellent. I have about two and a half minutes remaining. If my colleague Marc Serré would like to pick up where I left off, that would be great.

[*Translation*]

Mr. Marc Serré (Nickel Belt, Lib.): Thank you, Mr. Fraser.

Minister of Finance, I thank you for appearing here at the Standing Committee on the Status of Women for the first time. I also congratulate you on your commitment to women and girls in our economy, and for your dedication in this regard.

Thank you very much for allocating additional funds to economic development agencies such as FedNor in Ontario. This has helped us a great deal.

[*English*]

In the 2017 budget, you had more of a gender statement. Moving forward, I just want to get your thoughts around the evolution of this, now that you're looking more at GBA+ and legislation in the 2018 budget. How will the legislation you're putting in place now with this budget affect future finance ministers' budgets and future governments. Could I have your thoughts on that?

Hon. Bill Morneau: We obviously want to make sure that any improvements we put in place and any ability for us to be more successful in enabling women to have opportunities are sustained over the long term. We started with a recognition that we needed to do analysis around every budget measure to make sure that it's actually having the desired impact, as you said, in 2017. This year we went further and also identified the fact that we want to legislate or find a way to ensure that this continues for the long term, so that this analysis that looks at the differential impacts on different subsets of the population continues.

What we're going to do next year is to publish our analysis, so we're going to give people an understanding of the analysis we've gone through. Obviously, starting at the beginning we're trying to make sure the we build our skill set to ensure that we're actually doing the proper analysis. I think what you'll see in budget 2019 is the fruits of the work we did in 2017 and 2018, and then in 2019, demonstrate that for Canadians so they can see that we've considered how we can actually ensure that today and tomorrow we're having an important impact on what we see as a challenge, namely, to ensure that there's an equal and fair chance or opportunity for girls and women in the economy.

● (1620)

The Chair: Marc, you have six seconds.

Mr. Marc Serré: Thank you.

The Chair: I'll pass it on to Rachael Harder for seven minutes.

Ms. Rachael Harder (Lethbridge, CPC): Minister, earlier this month you spent some time with the finance committee, and at that time you conversed with my colleague Lisa Raitt. She disagreed with part of the budget and asked you a question with regard to it. At that point, it was evident that her question had offended you. You became visibly angry with her and then proceeded to call her a neanderthal.

You might be interested to know that a recent poll by Forum Research showed that only 18% of Canadian women fully agree with your budget, which means that the rest have questions.

Minister, does that make the other 82% of Canadian women also neanderthals?

Hon. Bill Morneau: Let me just say that we're of the view that we need to make sure that Canada is a successful country for all Canadians. We want to make sure that everyone has an opportunity to succeed. What we've tried to do from day one as a government is to make sure that people from all regions, male or female, from different backgrounds, from different ethnicities, have the opportunity for success.

Our budget clearly identifies the fact that we see there's a lag in opportunities for women. We're going to continue to put forward measures that deal with that issue in a way that's constructive and allows us to make progress. I think most Canadians would recognize that trying to help to ensure that half the population is more successful—

Ms. Rachael Harder: Thank you for your time.

Hon. Bill Morneau: —is the right thing to do.

Ms. Rachael Harder: I'm going to cut you off there because you're not actually addressing my question.

There are women across this country who have significant concerns with this budget. They weren't as impressed with it as perhaps you would have thought they would be. Many women feel it's inappropriate for two middle-aged white guys with trust accounts to dictate to them what their choices in life should be.

In your budget, you outline that women aren't contributing as much to the economy as men, and therefore they should step up and get full-time work instead of part-time work. You are even so prescriptive as to say they should be entering STEM fields and trades to help contribute to the economy by way of taxation, in order to make up for the debt load your government is incurring.

Now, women don't like you to be telling them what to do, so their response is this. Only 16% of women are more likely to vote Liberal. Meanwhile, 38% are less likely to vote for your government in the next election. That's 38% who are less likely to vote for your government because they're offended by your budget.

Does that mean these women are also neanderthals in the same way that Lisa Raitt is?

Hon. Bill Morneau: What I won't do is to presume to look into the heads of any individuals, male or female, in this country. What we're trying to do instead is to ensure we have a system that allows women to have every opportunity that we believe they should have, like we want other Canadians to have.

In identifying the fact that women have less pay per hour of work, in identifying the fact that we have lower workforce participation among women—

Ms. Rachael Harder: Minister, let me try again. Let's see if we can get it this time.

Hon. Bill Morneau: Am I able to finish my comment?

The Chair: It's her time. The time is to the—

Ms. Rachael Harder: Your government is out of control with its spending. You've incurred a huge debt load. It's resulting in $840 more expense for the average Canadian household right now, meaning that families are taking home less money and are feeling crunched, which means that poverty levels increase.

Now, here's what we know. We know that when poverty increases, it disproportionately impacts women. We know that first nations women living off reserves are four times as likely to be poor. We know that visible minority women and women with disabilities are three times as likely to be poor, and we know that single mothers are two times as likely to be poor.

Women across this country recognize the harm caused by your out-of-control spending and increased deficit, which is why 53% of women across this country, coast to coast, prefer a balanced budget rather than your out-of-control spending.

Minister, my question again is this. Does that make these 53% of women who also disagree with your budget—including first nations women, visible minority women, women who live with disabilities, and single mothers—neanderthals?

● (1625)

Hon. Bill Morneau: We will continue to work towards addressing what we see as challenges for all Canadians. In putting forward the measures we included in budgets 2016, 2017, and 2018 to address the challenges facing women—helping families with increased child benefits in 2016, helping families with a national housing strategy and a child care strategy in 2017, and by thinking about ways we can deal with systemic challenges through the budget 2018 measures—we're trying to get at the fact that there's not as much opportunity for women in our economy as we'd like. We think that is a really important goal we need to achieve together.

Ms. Rachael Harder: Minister, I think you should be clear with Canadians that when you say there's not as much economic opportunity, what you're saying is that we're not able to squeeze out of these women as much taxation as we would like and, therefore, we want them to enter the workforce full-time so we can get more of those taxes so we can pay for our out-of-control spending.

As leaders, we make mistakes from time to time, but what sets a good leader apart from a poor leader is that he is able to take responsibility for his actions.

In your meeting with the finance committee you took offence to a question that was asked by my colleague Lisa Raitt. You got angry with her, and you stated that you and your government "will drag along the neanderthals who don't agree" with you.

Minister, it is not only inappropriate for you to call Ms. Raitt a neanderthal, but the image that you paint of grabbing someone and dragging them along actually perpetuates violence and discrimination against women and girls in this country. It perpetuates the negative stereotype or negative attitude that is very prevalent already, that men are smarter than women and women deserve to be dominated by men. That is the image you paint, one of dragging my colleague along.

Minister, my question is very simple. Would you like to take responsibility for your actions today and apologize to my colleague Lisa Raitt?

Hon. Bill Morneau: Maybe I can step back and say I think that Canadians do have a sense that fairness matters. I think as we look at some challenges, we see that equal pay for equal time is not there for women. They are earning 88¢ on the dollar. When you look at it in the terms of women—

Ms. Rachael Harder: I'm going to stop you. My question was really simple. It was simply an opportunity to allow you to be a really great leader and take responsibility for your actions. I'm going to give you one more opportunity.

There are women across this country who listened to your statement, and it was incredibly degrading towards women from coast to coast. It was one that perpetuated the repulsive attitude that women are less than men and should be forced into submission.

Minister, would you like to apologize to my colleague Lisa Raitt, and to all Canadian women, for perpetuating this line of thought?

The Chair: You have five seconds.

Hon. Bill Morneau: We're very pleased to continue to put forward measures that are going to help Canadian women.

The Chair: I'm very sorry to cut you off. I'm trying to remain as neutral as possible. I know I've had some people who are concerned that I've not been cutting this off. I'm going to remind everybody that it is up to the will of the questioners: it's their time; it is always the members' time. We will continue with that.

We're now going to Sheila Malcolmson for her seven minutes.

Ms. Sheila Malcolmson (Nanaimo—Ladysmith, NDP): Thank you, Chair.

Thank you, Minister, for coming.

Your fellow Liberal members voted down having you at this committee a year ago. I wanted to invite you to the committee so I'm really glad that we agreed as a committee to get you here now. I want to thank you also for some of the early wins that we were able to get together. Having women represented on banknotes was something that the grassroots movement and NDP had pushed to have for a long time, so thanks for saying yes to that so early in your term, and also for saying yes to the NDP motion on pay equity in our first month or so in this Parliament.

We expected that a feminist budget would have had pay equity legislation and financing for pay equity. As you say, 1.2 million women are affected by the lack of federal pay equity legislation. At the all-party committee, all three parties agreed, which doesn't happen very often, that pay equity legislation should be tabled by June 2017. Pierre Trudeau promised it, the Liberal Prime Minister, 42 years ago, so it's a great disappointment that it's not in the budget.

The labour minister says that the consultations finished last year. We haven't heard anybody who says that we need more time on this. Are you the one responsible for not funding pay equity in your feminist budget?

Hon. Bill Morneau: I want to be really clear. We have committed to proactive pay equity legislation. It will be in the budget implementation act, no. 2. We see this as a critically important step. We know it's important for us to show leadership in this regard. We know it's unacceptable that people in any part of our society, but certainly in the areas of federal responsibility, aren't paid equally for work of equal value. That is what we identified in our budget, and that is what we will be delivering on this year as we said.

● (1630)

Ms. Sheila Malcolmson: Can women count on you to fund pay equity in this fall's economic update?

Hon. Bill Morneau: You can count on the fact that we're moving forward on this, and, obviously, moving forward on this means that we need to take responsibility for ensuring that it's properly funded.

Ms. Sheila Malcolmson: But it won't necessarily be in the fall economic update?

Hon. Bill Morneau: I'm committing to you that we already put it into budget 2018 as a commitment, and that commitment was intended for this budget period, including budget implementation act, no. 1 and budget implementation act, no. 2.

Ms. Sheila Malcolmson: There was no money for it whatsoever. The labour movement advocated at a bare minimum that you put the framework in place, although they wanted to see legislation and funding for pay equity years ago, and that you fund the establishment of the pay equity commissioner.

Given your government's willingness to spend all kinds of money, that would have been a very important gesture. Why did you choose not to take labour's advice?

Hon. Bill Morneau: To be clear, this is something coming this year. This is not something that we're delaying, and we will not be coming forward on anything without ensuring that the proper funding is there.

Ms. Sheila Malcolmson: I would argue that if this really were a feminist budget, you would have funded pay equity. If I were the Prime Minister, I would have implemented it in year one. I would have had the economic benefits accrue from having women paid equally, and I would have been campaigning on it in 2019. I'm just amazed that you haven't already taken my good advice on this.

Child care is another big missing piece, and lots of NGOs are saying that you can't call this a gender budget, you can't call this a feminist budget, without funding universal affordable child care. I know you're getting the same advice from beyond the grassroots. The Conference Board of Canada, the governor of the Bank of Canada, the International Monetary Fund, and the OECD are all urging Canada to fund universal affordable child care as the next big new social program.

I want to know why you're not taking their advice.

Hon. Bill Morneau: We recognize that there will always be more to do in ensuring that we're successful in helping all Canadians to have the opportunities they deserve. We look at our term in office as something that started in 2015, and we started with measures that we know had an important impact on families and on women with the introduction of the Canada child benefit and the approach we took.

Ms. Sheila Malcolmson: With respect, Minister, though, without the creation of new child care spaces, licensed affordable day care, the Canada child benefit doesn't give women spending power. It doesn't give them a new place to spend.

Hon. Bill Morneau: That's why I was going to move on from there, with that program, which of course gave on average $2,300 to nine out of ten families, and significantly more for single women. Then in budget 2017, we put in $7.5 billion over 11 years to create additional spaces, to make spaces more affordable across the country for day care. Of course, this year we're taking significant other measures that will have, we think, a long-term and important impact on women's success.

We don't argue that all of our work is done. We do think we've made very important strides in each year that we've moved forward. What I can tell you is that we're going to continue to focus on how we can ensure success for women across our country in whatever way they choose to find their personal success.

Ms. Sheila Malcolmson: You've seen the same headlines as I have. Without pay equity, without your feminist budget funding pay equity and universal child care, you really can't call it a gender budget. Those are words, not action or implementation.

We have quotes from Action Canada for Sexual Health and Rights, and Child Care Now, Morna Ballantyne particularly, who are both saying that a gender equality budget without child care is not a gender equal budget. Morna Ballantyne says that "Without universal child care, women's equality will never become a reality in Canada." The Childcare Resource and Research Unit; the Canadian Research Institute for the Advancement of Women; Kathleen Lahey, a Queen's professor; and Armine Yalnizyan from CCPA all say that they are astonished that a government that's willing to spend and says it's a feminist government, that says it's going to invest in social infrastructure....

Here we are. It looks like the government is ragging the puck on feminism by spending so late in the term that you're not going to be able to realize any of the advantages for women. Women are far behind, as you said in your introduction and acknowledged in your speech.

Can you help me understand the misalignment here between words and action?

● (1635)

The Chair: You have 10 seconds.

Hon. Bill Morneau: What I can say is that I appreciate your continued advocacy, which I think is really important. We've made really important steps from day one. We will continue to do so—

The Chair: Thank you.

Hon. Bill Morneau: We're going to ensure that we—

The Chair: Thank you, Minister Morneau.

We're now going to move over for our next seven minutes to Emmanuella Lambropoulos.

Ms. Emmanuella Lambropoulos (Saint-Laurent, Lib.): Thank you so much for being here with us, and thank you for our very feminist budget.

[*Translation*]

In my opinion, this is a very feminist budget and I thank you once again for that.

[*English*]

I'm going to ask my questions both in English and in French, and will be sharing my time with one of my colleagues.

We've touched on unpaid work and know that it is definitely one of the big contributors to the gender wage gap. However, another thing that contributes greatly to this gap is the fact that women and men do different types of work. Sometimes women don't have the same access to the same jobs, not necessarily because opportunity is lacking, but because of the cultures in these different work environments.

I'd like to know what our government is doing to make higher paying jobs more accessible to women in order to help shrink the gender wage gap.

Hon. Bill Morneau: Thank you. That's a broad question. I think we could go down many paths of what we've put in this budget as examples of how we're trying to enable women to find more success in fields that perhaps they weren't as traditionally successful in.

We've put in funding for pre-apprenticeship training and apprenticeship training, both with the idea that we can help women be more successful in Red Seal trades.

We recognize, as I mentioned in my remarks, that women are not as represented in some of the STEM fields as they could be. We started with first principles with that. In our research and science funding, we put significant funding in the granting councils. In that funding, we stipulated that those granting councils consider how they can ensure that we have not only more younger researchers and more interdisciplinary work, but in particular more female researchers, because we saw that the access to those funds was not having the same impact on women as on men.

We, then, as I mentioned, are thinking about how we can also ensure more success among women who start businesses. We see women's businesses getting started at a similar pace, but not getting nearly the opportunities for success as male-led businesses.

Obviously, we're going to have to do many things at the same time to address these challenges, and these are some of the methods we put in this budget that we think will have an important impact over time.

Ms. Emmanuella Lambropoulos: Thank you very much. A lot of my constituents are quite happy with these initiatives. I'd like to relay that message.

[*Translation*]

I'd like to ask you the following questions.

According to Budget 2018, Status of Women Canada is finally going to become an official department of the Government of Canada. Could you give us more details on the measures our government is going to adopt in order to strengthen and reinforce the role of that department? What will this mean for women and girls, as well as for the organizations that work to advance women's rights?

Hon. Bill Morneau: We know it's very important today, but also for the future, to reflect on how we can make big changes and improve the situation of women and girls. We think that in order to attain that goal, we need a system that works. That is why we decided to create a department of the Status of Women, which will be for the long term. That's very important.

At the same time, this will give us more expertise and more opportunities to carry out analyses and work with women's organizations throughout the country to advance the cause of women and girls and to open up new perspectives for them.

So it is really a decision for the long term. It's also a way of ensuring that our measures will have an important impact and that it will be easier in future to achieve results and to continue our efforts.

[*English*]

Ms. Emmanuella Lambropoulos: Thank you very much. I'll be passing the rest of my time to Eva Nassif.

The Chair: Ms. Nassif.

Mrs. Eva Nassif (Vimy, Lib.): Thank you, Madam Chair.

[*Translation*]

Thank you, Minister, for having accepted our invitation to appear before our committee to answer our questions. Thank you for everything you do for Canadian women and girls.

In Budget 2018, the government announced that as of 2018-2019, it would provide an additional $86 million over five years, as well as $20 million a year subsequently to broaden Canada's strategy to fight violence against women.

I'd like you to explain how the Budget 2018 funding for that strategy differs from that in Budget 2017. Also, how will women and girls in Canada benefit from that strategy?

● (1640)

Hon. Bill Morneau: We know there are still big challenges with regard to women. They are still experiencing difficult situations because of violence. That is why we decided to adopt several methods to improve the situation. We added $50 million to fight sexual harassment in the workplace. That's very important. We also invested $25 million in a program to help the most vulnerable workers, so that they can claim their rights.

We also took other measures regarding specific problems. For instance, there are $10 million for a new investigation unit that will review the 25,000 difficult situations reported since 2015. We have thus adopted several measures to improve the situation, but we know of course, that there is still work to do.

Mrs. Eva Nassif: Do I have any time left?

[*English*]

The Chair: You have 40 seconds.

[*Translation*]

Mrs. Eva Nassif: There is also, in Budget 2018, an amount of $65 billion for women entrepreneurs. I don't have much time left and neither do you, but could you explain briefly how this will help more female entrepreneurs succeed in business?

Hon. Bill Morneau: Access to capital is clearly a considerable challenge for women. We decided it was necessary to support initiatives to help women. In this way, we will improve the situation and ensure that women will have better access to capital in future.

[*English*]

The Chair: Thank you very much, Minister.

[*Translation*]

Mrs. Eva Nassif: Thank you very much.

[*English*]

The Chair: We're now going to move to Stephanie Kusie for five minutes.

[*Translation*]

Mrs. Stephanie Kusie (Calgary Midnapore, CPC): Thank you, Madam Chair.

Thank you, Minister, for being with us this afternoon.

I have two questions for you. The first concerns gender-responsive budgeting.

An article was published last March in the *Toronto Star* about the poor results obtained through gender-responsive budgeting elsewhere in the world, and they gave three examples.

The first one is from Australia; that country adopted this type of budgeting until 2014. They suddenly decided to drop that approach because of the impossibility of obtaining specific, positive results for women.

The second example is from Austria. There, they amended the Constitution to adopt gender-responsive budgeting and also take into account gender-based analysis plus, as Canada is doing now, but the office of the Austrian parliamentary budget officer unfortunately found that the results regarding women were inconclusive. There were no concrete results tending to demonstrate that the lives of women had improved much. In fact, they found that the objectives were not well defined and that the communication among departments was poor.

Finally, the *Toronto Star* quoted a third example from the Organization for Economic Co-operation and Development, the OECD. Unfortunately, the same results were reported in 12 countries. Only half of those were able to provide specific examples of good results where political measures such as gender-based analysis and gender-responsive budgeting led to convincing positive results for women.

My question is simple. In light of these results obtained in Europe, do you think it is possible that Canada will obtain better results?

● (1645)

Hon. Bill Morneau: Thank you for your question.

[*English*]

I've had the opportunity to meet with a number of the finance ministers from a number of the countries you referred to, as well as finance ministers from other countries, to understand their experiences. I've also been able to share with them what we've been doing in Canada in thinking about ways forward that could have the biggest potential positive impact.

In any approach, you always have to think about how to best implement it. Certain countries in the world have had great success with gender-based analysis. I had extensive discussions with the Swedish finance minister, and she gave me a huge amount of understanding of how they've done it. Similarly, I had long discussions with the Spanish finance minister who explained how they had done it. There are examples of very positive outcomes.

Importantly, in Canada we're going to measure the results of every measure we put forward, results like the Canada child benefit, with more than 300,000 children being lifted out of poverty—

[*Translation*]

Mrs. Stephanie Kusie: Fine.

Thank you, Minister.

My second question is about direct foreign investment. Back home in Calgary, we have unfortunately lost several companies following bad results. There were a lot of issues related to policies of the Department of Foreign Affairs. I'm thinking of NAFTA in particular; up till now, Canada has not been able to secure a satisfactory agreement.

With Bill C-69, it will be almost impossible to obtain authorization for future energy projects. I'm thinking also of the Trans Mountain Expansion Project. If you think that women deserve to occupy good positions, why don't you do more to keep direct foreign investment in Canada?

[*English*]

The Chair: You have 10 seconds.

[*Translation*]

Hon. Bill Morneau: On the contrary, we believe it is of primordial importance that there be investment in Canada. That will help both women and men, all Canadians. It's very important.

[*English*]

The Chair: Thank you very much, Minister.

[*Translation*]

Hon. Bill Morneau: Our economy is growing now, and that is crucial for all Canadians.

[*English*]

The Chair: I'm sorry, but I have to cut you off.

We're now moving on to Alaina Lockhart for five minutes.

Mrs. Alaina Lockhart (Fundy Royal, Lib.): Thank you, Minister, for joining us today.

As you know, I'm a former small business owner. I was very happy with this budget, not only because of the decrease in the small-business tax rate but also because of the women's entrepreneurship strategy. I know that my colleagues have brought it up before, but I wanted to tell you exactly why I was excited to see it there. It meant not only that my challenges as a woman in business were real and possibly systematic but also that the government had listened to that and made a significant investment to try to support women in business.

You discussed the pillars of the strategy and the fact that there'll be more assistance to encourage women entrepreneurs to enter into procurement and export. Can you tell us what you feel the potential is of having more women-owned businesses participating in those two areas?

Hon. Bill Morneau: We obviously looked at some studies that showed us the potential—the math I referred to in my remarks—growth in our overall GDP through greater and more successful outcomes for women. We obviously see that as one important reason for ensuring that we have measures that can help people be successful.

Specifically in the field of helping women be more successful in businesses, we start with the idea that we need to think about why it is there's not as much opportunity for women. That's why we started with the idea of accelerators and mentor hubs delivered regionally. We think that's critically important.

Secondly, we saw that there was not nearly as much success for women export businesses as there were for male businesses. That led us to putting funding through the Export Development Bank of Canada, with about $250 million in access to capital for export-led businesses as well as services and facilities to help them consider how they can best use those resources. Similarly, with the Business Development Bank, it's the same approach, although with more funds available that allow for access to capital. The BDC also has a facility to help people think about how to develop their business plans and actually put that capital to work.

On outcomes, we have the high-level studies that I referred to, but among the more interim measures to achieving potential positive outcomes would be to provide more capital for women-owned businesses, seeing growth rates that are more rapid for the businesses once they're started and, of course, seeing that over the long term this will actually have a broader economic impact for all Canadians.

● (1650)

Mrs. Alaina Lockhart: Great. Thank you.

One statistic that I've learned, which I'm sure you know as well, is that more than half of small businesses are owned by women, but only 16% of total businesses are owned by women. Clearly, there are barriers to growing a small business into a medium and large one. I would suggest that those are a couple of the reasons why—just the businesses that women have traditionally chosen to be involved in.

You mentioned, too, the significance of training and mentorship. Do you feel that plays a large part in growing businesses? What will be the significance of the hubs in this?

Hon. Bill Morneau: To start with the question about whether that plays a significant role, I think the research would suggest that it does. We can step back even further and think about what ways we can create incentives for girls to see role models in the places where they can aspire to be in future. That's why, as we think about funding for science and research, we've given direction that we expect to see more outcomes for younger and more female researchers so that they'll be role models. Of course, many businesses will be founded by people who go into those sorts of fields.

We're thinking as well about how we enable people at a very early age to see opportunities to go into those fields. That's why we put money both in last year's budget and similar ideas in this year's around coding for young girls. We're trying to think from an early stage how you create those opportunity sets. The idea of thinking about accelerators and business hubs is that once people actually decide where they're going to go, they need to find ways of getting the networks required for them to successfully get into those business sectors.

So it's a multi-faceted approach that we think is required, and it will be something that we'll need to stick with.

The Chair: Alaina, you have about eight seconds.

Mrs. Alaina Lockhart: No, thank you, Madam Chair.

The Chair: Fantastic.

Now we're going to move over to Rachael Harder.

Ms. Rachael Harder: I will share with my colleague Ms. Rempel.

Hon. Bill Morneau: Madam Chair, I need to leave as close to 5 o'clock as possible. I have something else that starts at 5 o'clock.

Hon. Michelle Rempel: Oh, I'm sure you'll want to stick around for me, Minister.

What is the relative cost burden of your carbon tax, for women as compared to men?

Hon. Bill Morneau: As you likely know, we believe that for our economy to be successful over the long term we need to make sure that we're considering also the environmental challenges.

Hon. Michelle Rempel: Since you have to leave, I'll just ask whether a gender-based analysis has been completed for the carbon tax.

Hon. Bill Morneau: What I was getting to is that we believe a carbon pricing approach is important. We've also said that we need to find a way to move that revenue back to the provinces.

Hon. Michelle Rempel: So has a gender-based analysis been completed for the carbon tax?

Hon. Bill Morneau: As a revenue-neutral measure, you'll understand that we see this as something that's important for the long-term health of our environment and our economy.

Hon. Michelle Rempel: So has a gender-based analysis been completed for the carbon tax?

Hon. Bill Morneau: As I mentioned, this is a revenue-neutral measure that we think will help our environment over the long term and enable our economy to be successful.

Hon. Michelle Rempel: Okay, then, I'll ask it a different way.

You've talked about the wage gap and these different things. Did you do any modelling? Is the price elasticity of the consumption of carbon the same for women as it is for men in Canada?

Hon. Bill Morneau: As I've said, we believe that carbon pricing is important. We also believe that this—

Hon. Michelle Rempel: But you've also said, on page 219 of the budget—

Hon. Bill Morneau: —revenue-neutral approach is one that allows us to do it properly.

Hon. Michelle Rempel: On page 219 of the budget, you said that you're putting in place a gender-results framework, which is a whole-of-government tool. Has that tool not been applied to the carbon tax?

Hon. Bill Morneau: Again, I'll repeat that in putting in place carbon pricing, we know that it will have a long-term positive impact on the environment—

Hon. Michelle Rempel: So it has been done.

● (1655)

Hon. Bill Morneau: —for everyone. It will have an impact, of course, that is revenue-neutral from the federal government's standpoint.

Hon. Michelle Rempel: Could you table with this committee the gender-based analysis for the carbon tax?

Hon. Bill Morneau: I'll just repeat again, the—

Hon. Michelle Rempel: So it hasn't been done?

Hon. Bill Morneau: I will repeat again that carbon pricing, from the federal government's standpoint, is a revenue-neutral measure that will, over the long-term, encourage behaviours that will help the environment for all Canadians.

Hon. Michelle Rempel: In that case, you can table the gender-based analysis of the carbon tax with this committee.

Hon. Bill Morneau: What I will tell you is that the approach we've taken is one that will enable all Canadians to be—

Hon. Michelle Rempel: I'll take that as code for, "No, it hasn't been done."

My question is, if there's a whole-of-government approach to gender-based analysis, and you're imposing a brand new tax on all Canadians, and we know there's a pay equity gap for women and that many women bear disproportionate costs of child care, why would you not do a gender-based analysis of the carbon tax?

Hon. Bill Morneau: As I've said, we recognize that the way to get to behaviours that are going to ensure that we properly consider environmental impacts over time—

Hon. Michelle Rempel: So would you say that the carbon tax is sexist?

Well, would you?

Has there been a gender-based analysis? I'm just wondering.

Hon. Bill Morneau: As I've mentioned, we put in place the carbon pricing approach to deal with the long-term environmental impacts of carbon, and we recognize—

Hon. Michelle Rempel: If you've done no gender-based analysis of it, and we know that women bear disproportionate costs for child care, on things like driving kids around and paying for transportation and food, I would have to argue that the carbon tax is sexist. Do you have any evidence to prove otherwise with your gender budget?

Hon. Bill Morneau: As I've said, the federal carbon pricing is revenue-neutral, from the federal government's standpoint. It's one that will drive behaviours—

Hon. Michelle Rempel: How can it be revenue-neutral for women if you haven't done a gender budget of it?

Hon. Bill Morneau: I can just tell you that we've put in place a measure that will allow us to return those revenues to the provinces.

Hon. Michelle Rempel: So you are saying that you're actively pursuing a sexist carbon tax.

Hon. Bill Morneau: Well, no, I'm not.

Hon. Michelle Rempel: So then why haven't you done a gender-based analysis of it?

Hon. Bill Morneau: I can just repeat what I've said, and that is that we've put in place carbon pricing that will enable us to have a long-term positive environmental impact.

Hon. Michelle Rempel: I know there are a lot of moms who are filling up the tanks of their cars right now at $1.70, and they're going, "This doesn't seem like it's gender-based." Will you commit to doing a gender-based analysis of the carbon tax?

Hon. Bill Morneau: We will commit to continuing with an approach that will allow us to price what we don't want—

Hon. Michelle Rempel: That's code for no.

Hon. Bill Morneau: —which is pollution, and that will help us with the environment in the long-term.

Hon. Michelle Rempel: Thank you.

The Chair: Thank you very much.

Minister, I recognize that you said you have to leave at 5.

Ms. Ludwig, are you willing to give up your five minutes? I ask because the meeting would go to 5:05 if you didn't, since we started at 4:05

Ms. Karen Ludwig (New Brunswick Southwest, Lib.): I do understand the minister has a commitment at 5.

The Chair: I just wanted to make sure everybody had their fair time, so everybody's good with that.

I would like to thank you very much, Minister Morneau, for coming here today and answering our hard questions from all sides. We do appreciate your time here. As you said, it is historic. It's the first time we have had the finance minister here. Thank you very much for coming and sharing your time with us.

I just have a couple of reminders.

The Minister of Status of Women will be appearing at committee on May 24. She'll be here for one hour, and the second hour will be with departmental officials. Also, starting tomorrow, we'll get back to the study and report stage, in camera, of our study on indigenous women.

The meeting is adjourned.

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